

Press Release

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States, Provinces Taking Action to Curb Climate Change

Western Climate Initiative Releases Draft Recommendations for Program to Reduce Greenhouse Gas Emissions

SACRAMENTO - Today, the partners of the Western Climate Initiative released a draft design for a regional cap-and-trade program to reduce pollution that causes global warming. The proposal outlines the recommended design features of a regional cap-and-trade system, including which sources should be included, essential emission reporting requirements and other program features.

WCI partners are focusing on developing the regional cap-and-trade program proposal as part of a comprehensive effort to address global warming pollution, including: promoting the development and use of clean and renewable energy; increasing energy efficiency; advocating regional and national climate policies that reflect the needs and interests of western states, tribes and provinces; and identifying measures to adapt to the impacts of climate change.

<u>The draft proposal makes the following key recommendations</u>: (see attached fact sheet for more detail)

- Incorporate all major GHG-emitting sectors of the economy into the capand-trade program.
- Ensure that all regulated entities use consistent reporting.
- Cover emissions from electricity generation and consumption, from stationary sources starting in 2012, and for transportation and heating fuels starting in 2015.
- Allow flexibility among WCI partners on the allocation and auctioning of allowances.
- Allow emissions offsets, up to a limit, in the cap-and-trade program.

The full draft of the proposal is available online. Comments can be submitted via the Western Climate Initiative website through August 15, 2008. The WCI partners will hold a stakeholder workshop July 29 in San Diego, CA. Those who can't attend in person can participate via an online webinar. The registration link for the workshop and the webinar is

http://www.regonline.com/Checkin.asp?EventId=622922.

The partners of the Western Climate Initiative plan to consider stakeholder feedback on the draft design proposal and release a final design proposal in September.

History of WCI:

In February 2007, the governors of Arizona, California, New Mexico, Oregon, and Washington created the WCI with a long-term commitment to significantly reduce regional greenhouse gases, thus lowering the risk of dangerous threats to the climate. Since the WCI first formed, the states of Utah and Montana and the Canadian provinces of British Columbia, Manitoba, Quebec and most recently Ontario have joined. Observers of the WCI include the states of Alaska, Colorado, Idaho, Kansas, Nevada, and Wyoming, the Canadian provinces of Saskatchewan, and the Mexican border states of Baja California, Chihuahua, Coahuila, Nuevo Leon, Sonora, and Tamaulipas.

More information on the Western Climate Initiative can be found at http://www.westernclimateinitiative.org.

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